

**PSC DOCKET NO. 07-20
PUBLIC COMMENT SESSION
THURSDAY, April 12, 2007 (DOVER)**

[illegible]

PSC DOCKET NO. 07-20
PUBLIC COMMENT SESSION
THURSDAY, April 12, 2007 (DOVER)

NAME (PLEASE PRINT)	DO YOU WISH TO SPEAK?	DP&L CUSTOMER?
NICK DIASQUALE	YES	DELAWARE AUDUBON
Erin Dilworth	yes	UD Student
PATRICIA GEARITY	NO	NO

—
Wind



DELAWARE AUDUBON SOCIETY

Chapter of National Audubon
Box 1713, Wilmington, Delaware 19899
302-428-3959
www.delawareaudubon.org

IN THE MATTER OF INTEGRATED RESOURCE PLANNING FOR THE
PROVISION OF STANDARD OFFER SERVICE BY DELMARVA POWER & LIGHT
UNDER 26 DEL. C. § 1007(c) & (d); REVIEW AND APPROVAL OF THE REQUEST
FOR PROPOSALS FOR CONSTRUCTION OF NEW GENERATION RESOURCES
UNDER 26 DEL. C. § 1007(d)

PSC DOCKET NO. 07-20

COMMENTS FROM DELAWARE AUDUBON
THURSDAY, APRIL 12, 2007
CANNON BUILDING HEARING ROOM
861 SILVER LAKE BLVD.
DOVER, DE 19904

My name is Nicholas A. DiPasquale, Conservation Chair for Delaware Audubon. Delaware Audubon appreciates the opportunity to provide comment on this extremely important environmental and public health issue. Delaware Audubon was incorporated in Delaware as a non-profit organization in 1977 and is a statewide chapter of the National Audubon Society. The Audubon Society is dedicated to developing a better appreciation of our natural environment and working for species and habitat protection and conservation.

Delaware Audubon consists of approximately 1,500 members throughout the state advocating on a wide range of environmental issues and sponsoring programs, field trips and school education. Our focus is on protection of the Delaware Bay and the Coastal Zone. The following represents the organization's comments on the "Interim Report on Delmarva Power IRP in Relation to RFP" (Independent Consultant's Report or IC's Report) prepared and submitted by the New Energy Opportunities consulting team on April 4, 2007.

The Delaware Audubon Society recognizes that these proceedings and the enactment of House Bill 6 in the last legislative session were the result of a substantial increase in electricity prices that occurred when price controls were lifted in accordance with the electric utility restructuring law of 2001. At the same time, as the General Assembly recognized, environmental issues are critically important, both in terms of mitigating climate change, improving air quality and other impacts, as well as their impacts on electricity prices.

Our organization has long supported energy efficiency and conservation and the use of renewable sources of energy. Given the recent reports issued by the International Panel on Climate Change (IPCC), the decision on new power generation takes on even greater importance. We offer the following observations and comments:

1. We acknowledge that the RFP/IRP process has been a tortured one. House Bill 6 and its predecessor, the electric utility restructuring act, are the work of political insiders. In both instances the conservation community and the general public were frozen out of the process. They bills were both the result of closed door, backroom deals in which these groups were not invited to participate. Although HB 6 contains some very potentially progressive elements, the bill put the RFP "cart" before the IRP "horse." As a consequence, a tremendous amount of confusion has been created. The Public Service Commission is to be commended for doing its very best to make this process more rational and workable.
2. The IC's Interim Report states that Delmarva Power did not consider the potential shutdown of the two older units at Indian River in the event that NRG's proposed IGCC project was not constructed. Delaware Audubon previously made this point. Contrary to NRG's assertions, we believe this is highly likely if NRG is required to meet the state's recently enacted multi-pollutant regulation.
3. As mentioned earlier, the recent fourth assessment reports of the IPCC clearly indicate the need for bold and decisive action. Only one of the three proposed projects, Bluewater Wind's offshore wind power project, is a carbon-free alternative that will put us on the road to addressing the potentially catastrophic impacts global climate change.
4. The wind energy proposal clearly has the greatest public acceptance as evidenced by the rise of a truly grassroots uprising in the form of Citizens for Clean Power.
5. Surveys conducted by the University of Delaware indicate widespread acceptance of wind energy and suggest that the public is willing to pay more for this alternative.
6. Two independent estimates suggest that the increase in electric utility rates for the wind power project would be in the range of \$5 to \$6 per month. This amount to really cheap insurance when you consider the health and environmental benefits of wind energy over the two fossil fuel alternatives.
7. While we agree with the logic behind the IC's suggestion that the Delmarva be directed to conduct a market test to explore an "all-source" or "renewables only" RFP, we believe it would be unfair to the current bidders. In the alternative, we recommend the agencies direct Delmarva to begin negotiations with the only carbon-free alternative to enter into a mutually acceptable long-term power purchase agreement. Enough time, money and effort have already been spent on this process. Further legislative involvement would only invite more confusion.

Delaware Audubon appreciates the opportunity to provide comment on these proceedings.